Misuse of DEPB scheme

1718. SHRI ABANI ROY: Will the Minister of FINANCE be pleased to state:

(a) whether the officials of the DRI have recently discovered a fishy scam as reported in the Statesman dated the 24th February, 2002;

(b) if so, the *Modus-operandi* of the scam;

(c) whether Government are aware that the DEPB scheme is grossly misused by exporters in the country; and

(d) the steps taken by Government to ensure that the exporters may not indulge in misuse of DEPB Scheme?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) to (d) Yes, Sir. Directorate of Revenue Intelligence is investigating into exports of fish and fish products, wherein the exporters had availed higher DEPB benefit @10% and 4% respectively of FOB value of exports, by resorting to mis-declaration regarding usage of chemicals/ preservatives and source of procurement. As and when, any case of misuse/abuse of DEPB Scheme comes to notice, instructions are issued to all the filed formations, to keep strict watch and remain vigilant. DGRI has been issuing *modus-operandi* circular from time to time to thward by unscrupulous exporters to avail unintended DEPB benefits.